GENERAL ASSEMBLY SPECIAL SESSION ON INTERNATIONAL ECONOMIC CO-OPERATION

A Declaration, articulating guiding principles for international economic co-operation and the economic development of developing countries in the 1990s, was adopted by the United Nations General Assembly at the completion of its special session on international economic co-operation, held from 23 April through 1 May 1990.

In adopting the Declaration by consensus, Member States proclaimed their strong commitment to promoting sustained growth of the world economy and to revitalizing the economic development of the developing countries in order to realize "the basic right of all human beings to a life free from hunger, poverty, ignorance, disease and fear".

The special session was convened against the backdrop of economic stagnation in developing countries, the growing mountain of debt, increased poverty and the political and economic changes taking place in Eastern Europe.

The 38-paragraph Declaration assesses the economic performance of the 1980s, outlines opportunities for the 1990s and sets out specific commitments and policies for international development co-operation in the areas of debt, official development assistance (ODA), protection of the environment, an open trading system, stable commodity markets and the large role of the United Nations in revitalizing development in the 1990s.

On the opening day of the special session, United Nations Secretary-General Javier Pérez de Cuéllar noted the widening gap in economic and social well-being around the world. "We are in a position to agree on ways and means of achieving sustained and equitable economic growth," he said. "At the same time, we have to address such urgent and fundamental issues as explosive population growth, the environmental degradation of our planet and respect for human rights . . . We should set ourselves a programme of work for the 1990s, an agreed-upon global agenda. The United Nations in all its parts must remain relevant, efficient and effective."

In his closing statement, the President of the General Assembly, Joseph N. Garba (Nigeria), termed the Declaration "a watershed in the history of international economic co-operation" which represented a new departure, a step towards a better future. "It embodies our collective response to a time of turbulent change and great hope in human affairs," he said. "I see in it the possibilities of a positive transformation in international economic relations."

A total of 136 speakers addressed the Assembly during this eighteenth special session, including the President of Cyprus, the Prime Minister of Peru and 62 government ministers.

DECLARATION: SUMMARY

The Declaration first notes the reduction in international political tensions, the increasing integration of the world economy and the broad movement towards economic and political reform. This created an opportunity for strengthening international economic co-operation based on the need to provide just and equal opportunities to all peoples to enable them to develop their full potential.

The Declaration states that the international community has a responsibility to give strong support to the efforts of the developing countries to solve their grave economic and social problems through the creation of a favourable international economic environment. The Declaration also affirms that each country is responsible for its own economic policies for development and that national policies should take into account the obligations of all countries to international economic co-operation.

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ASSESSMENT OF THE 1980s

In assessing the economic performance of the 1980s, the Declaration makes the following points:

- The 1980s were marked by uneven progress in developed and developing countries and an increasing gap between them.
- Economic growth was relatively slow and large global financial and trade imbalances existed.
- External and fiscal imbalances in some of the countries whose economies have the largest impact on the world economy have contributed to international monetary instability and led to higher interest rates.
- Living conditions in Africa, Latin America, the Caribbean and parts of Asia have deteriorated, and economic and social infrastructure has eroded, impairing stability and prospects for growth and development.
- The position of developing countries in international trade and finance has substantially weakened.
- External indebtedness, the fall in investment, the cessation of flow of new financial resources, and the long-term downward trend in commodity prices have contributed to the large net transfer of resources from the developing to the developed countries, depriving the former of much needed resources for development.
- Eastern European countries were not appropriately involved in the world economic system. Their need for comprehensive reform and transformation grew and, in the late 1980s, fundamental political and economic changes began to take place. These countries face problems of adaptation to the scientific, technological and structural changes taking place in the world economy.

CHALLENGES AND OPPORTUNITIES FOR THE 1990s

Among the challenges and opportunities that the Declaration outlines are:

- The revitalization of economic growth and social development in the developing countries, which requires sustained growth of the world economy and favourable external conditions;
- Finding an early and durable solution to international debt problems;
- Meeting the increasing needs for development finance;
- Creating an open and equitable trading system;
- Facilitating the diversification and modernization of the economies of developing countries, particularly those that are commodity-dependent;
- The need for environmentally sound and sustainable economic development;
- Effective national policies to achieve sustained, non-inflationary economic growth in all countries;
- Greater equity in income distribution;
- The development of human resources;
- The integration of the Eastern European countries into the world economy and the international economic system.

COMMITMENTS AND POLICIES FOR INTERNATIONAL DEVELOPMENT CO-OPERATION

The Declaration sets out specific commitments and policies for international development co-operation which Member States should undertake:

- Concerted and committed efforts by all countries to reactivate economic growth and development in the developing countries and to reverse the adverse trends of the 1980s;
- Continuing efforts by the major industrialized countries to promote sustained growth and to narrow imbalances in a manner that can benefit other countries;
- Enhancing the effectiveness of multilateral surveillance aimed at correcting existing external and fiscal imbalances, promoting non-inflationary sustainable growth, lowering real rates of interest, and making exchange rates more stable and markets more accessible;

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- Continuing efforts by the developing countries to keep control over inflationary tendencies, to promote domestic savings, to achieve favourable conditions for domestic and foreign investment, to modernize their economies, and to increase their international competitiveness;
- The full utilization of human resources and the recognition of human rights to stimulate creativity, innovation and initiative;
- Maximizing the human potential through adequate health, nutrition, housing, population policies and other social services, as well as through education and training;
- Supporting efforts to arrest the current escalation of extreme poverty and hunger;
- A durable and broad solution of the external debt problems of the developing countries and implementation of the recent initiatives and measures to reduce the stock and servicing of debt or to provide debt relief for developing countries;
- Implementation of the agreed international target of devoting 0.7 per cent of gross national product to ODA and 0.15 per cent to the least developed countries;
- Support by developed countries and international organizations for the efforts of developing countries to create and develop endogenous scientific and technological capacities;
- Effective actions by all countries for the protection and enhancement of the environment in accordance with their respective capacities and responsibilities, taking into account the specific needs of developing countries;
- Examination of effective modalities for favourable access to, and transfer of, environmentally sound technologies, in particular to developing countries, including concessional and preferential terms;
- Provision of adequate resources to multilateral financial institutions to support long-term development, to facilitate structural reform and to finance programmes to alleviate the adverse social consequences of adjustment for poor and vulnerable groups;
- Reduction of military expenditures and higher spending on social and economic development;
- Maintenance of an open and credible multilateral trading system;
- Support for more stable and predictable commodity markets and diversification;
- Promotion of economic integration and strengthening of economic and technical co-operation among developing countries;
- Support for Eastern European countries in their efforts to integrate themselves into the international economy, without detracting from the high priority placed on international development co-operation with the developing countries.

ROLE FOR THE UNITED NATIONS

The Declaration states that the United Nations and its specialized agencies have a large role to play in revitalizing growth and development in the 1990s.

Member States agreed to work for fruitful results at forthcoming United Nations activities: the Second United Nations Conference on the Least Developed Countries (3-14 September, Paris), elaboration of a new international development strategy for the 1990s to be adopted by the General Assembly at the end of 1990; the World Summit for Children to be held in late September 1990; the eighth session of the United Nations Conference on Trade and Development in 1991; the United Nations Conference on Environment and Development to be held in Brazil in 1992; and the international meeting on population in 1994.

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